

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**February 13, 2001**

**IN RE:**

**ALL TELEPHONE COMPANIES TARIFF  
FILINGS REGARDING RECLASSIFICATION  
OF PAY TELEPHONE SERVICE AS REQUIRED  
BY FEDERAL COMMUNICATIONS COMMISSION  
(FCC) DOCKET 96-128**

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**DOCKET NO.  
97-00409**

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**ORDER DENYING TARIFF NO. 01-00003 AS FILED ON  
DECEMBER 29, 2000 AND REVISED ON JANUARY 3, 2001**

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This matter came before the Tennessee Regulatory Authority ("Authority") at the regularly scheduled Authority Conference held on January 9, 2001 for consideration of Tariff No. 01-00003 ("Tariff") filed by BellSouth Telecommunications, Inc. ("BellSouth") on December 29, 2000 and revised by BellSouth on January 3, 2001.

**I. Factual and Procedural History**

At a regularly scheduled Authority Conference on December 19, 2000, the Authority addressed, in part, the merits of Docket No. 97-00409, "the Payphone Docket." The TRA set permanent, monthly, non-traffic sensitive and traffic sensitive rates for BellSouth's payphone access lines.<sup>1</sup> As a result of its rulings, the Authority directed

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<sup>1</sup> BellSouth offers two types of payphone access lines: PTAS and SmartLine<sup>®</sup>. PTAS is an acronym for Pay Telephone Access Service and is sometimes referred to as a "dumb" line because the intelligence for certain payphone features, such as coin-handling, resides in the payphone set instead of the LEC's central office switch. For SmartLine<sup>®</sup> service, the intelligence resides in the LEC's switch.

BellSouth to file compliant tariffs no later than December 29, 2000 to be effective upon notification by the Authority.

On December 29, 2000, BellSouth filed Tariff No. 01-00003 revising its payphone access line rates. On January 3, 2001, BellSouth revised the Tariff to change the SmartLine<sup>®</sup> rate from \$13.78 to \$20.94<sup>2</sup> and the effective date from “[u]pon notification by TRA” to “January 28, 2001.” On January 4, 2001, the Tennessee Payphone Owners Association (“TPOA”), an intervenor in the Payphone Docket, filed a letter relating to the Tariff as revised. The TPOA argued that the Authority should not approve the Tariff because the Tariff does not comply with the Authority’s December 19<sup>th</sup> rulings.

## **II. Findings and Conclusions**

After reviewing the Tariff and revisions thereto, the Authority finds that Tariff No. 01-00003 does not comply with the Authority’s December 19<sup>th</sup> decisions for the following reasons:

1) Section A7.4.5.A.1.c, the proposed PTAS portion of the Tariff, provides for monthly payphone line feature charges ranging from \$2.00 to \$4.00 for certain blocking and screening features.<sup>3</sup> The Authority considered and accounted for the recovery of these PTAS central office blocking and screening costs when it established the PTAS non-traffic sensitive rate of \$13.78. Moreover, the record supports this accounting. D. Daonne Caldwell, the BellSouth witness who sponsored BellSouth’s payphone cost study, testified that “PTAS includes the local loop, the non-traffic sensitive (“NTS”) line termination in

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<sup>2</sup> BellSouth explained that the SmartLine<sup>®</sup> rate filed on December 29, 2000 was inadvertently listed at \$13.78, the ordered rate for PTAS.

<sup>3</sup> These blocking and screening features include: 1) the blocking of 011+ calls, 101XXXX direct dialed calls, 1+DDD calls, 7 or 10 digit local calls, 1+900 calls, and 976 calls and 2) operator screening to prevent third number and collect calls from being completed and operator-assisted calls from being billed to the payphone line.

the switch, **central office blocking and screening**, and local usage.”<sup>4</sup> In its cost study, BellSouth included monthly costs for PTAS central office blocking and screening in arriving at the total PTAS monthly cost.<sup>5</sup>

2) The imposition of the additional charges proposed by BellSouth would permit an excessive and unjustifiable recovery of blocking and screening costs in violation of the new services test and § 276 of the Federal Telecommunications Act of 1996. Accordingly, BellSouth’s proposed monthly payphone line feature charges for blocking and screening are inappropriate.

3) The second area of noncompliance is BellSouth’s revision of the effective date from “[u]pon notification by TRA” in its December 29<sup>th</sup> filing to the proposed effective date of “January 28, 2001” in its January 3<sup>rd</sup> filing. At the December 19, 2000 Authority Conference, the Authority directed BellSouth to file its payphone tariff by Noon on December 29, 2000, to be effective upon notification by the TRA. Consequently, including a specific effective date contradicts the Authority’s decision to subsequently notify BellSouth of the appropriate effective date.

Based on these findings and conclusions, the Authority voted unanimously to deny BellSouth’s Tariff No. 01-00003 as revised. Further, the Authority voted unanimously that BellSouth file a compliant tariff in Docket No. 97-00409 no later than Thursday, January 11, 2001.

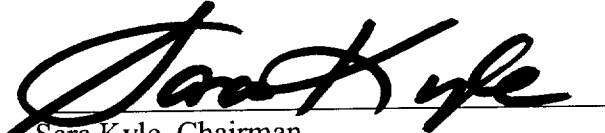
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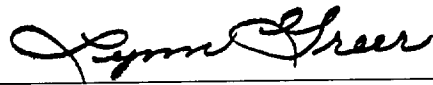
<sup>4</sup> *Direct Testimony of D. Daonne Caldwell*, p. 6 (filed September 15, 2000) (emphasis added).

<sup>5</sup> See BellSouth Cost Study, Tennessee Docket No. 97-00409, Section 1, Executive Summary – Summary of Results from Tennessee TSLRIC Coin Study – PTAS Service, page iv (filed September 15, 2000) (designated as proprietary).

**IT IS THEREFORE ORDERED THAT:**

Tariff No. 01-00003, filed by BellSouth Telecommunications, Inc. on December 29, 2000 and revised on January 3, 2001, is denied. BellSouth Telecommunications, Inc. shall file a compliant tariff **no later than 12:00 p.m. on Thursday, January 11, 2001.**

  
Sara Kyle, Chairman

  
H. Lynn Greer, Jr., Director

  
Melvin J. Malone, Director

ATTEST:

  
K. David Waddell, Executive Secretary